

Product Development Mailing Services

MTAC

March 20, 2016



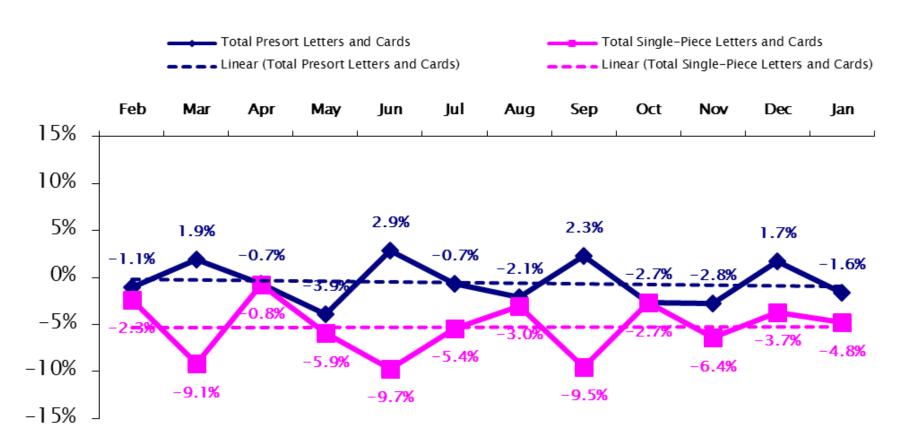
- Pulse of the Industry
- 2015 Promotions Update
- 2016 Promotions Update
- Action Items
- Open Discussion



Pulse of the Industry

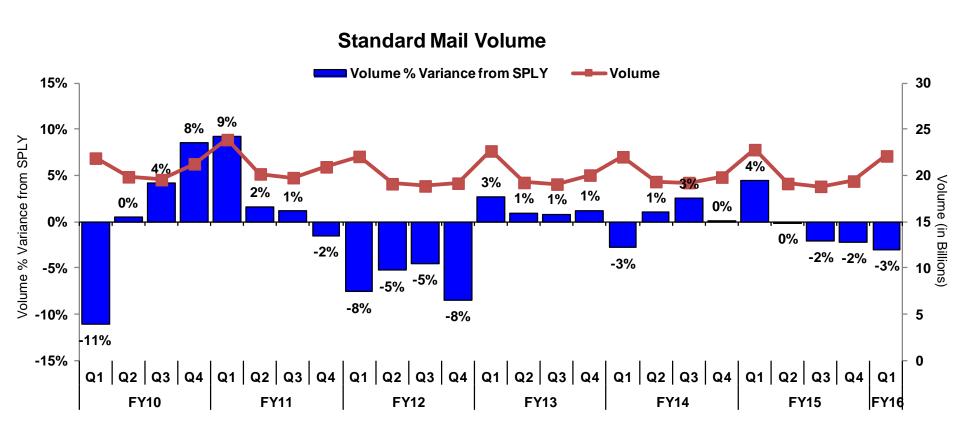


First-Class Mail Volume (% Change over SPLY)





Standard Mail Volume

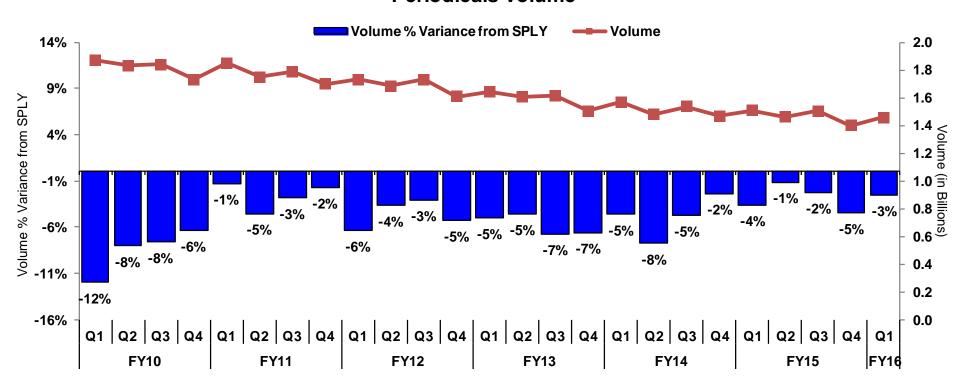


Source (s): RPW Quarterly Reports; Excludes Parcels and International Mail volumes









Source(s): RPW Quarterly Reports



2015 Promotions - Update

CY15 First-Class Mail Promotions

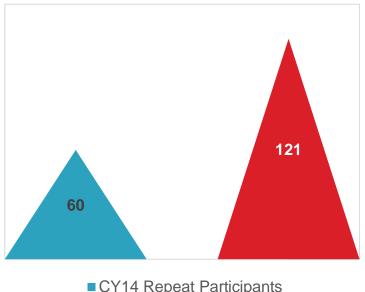
Earned Value Promotion:

- **Number of Participants = 493**
- **Promotion Volume = 489 MM pieces**
- Credit Earned = \$11 MM

Color Transpromo Promotion:

- Number of Participants = 54
- **Promotion Volume = 1,113 MM** pieces
- Discount Earned = \$9 MM

Number of Earned Value Participants Exceeding **Prior Year Reply Volume**



■ CY15 Repeat Participants

CY15 Mail-to-Mobile Promotions

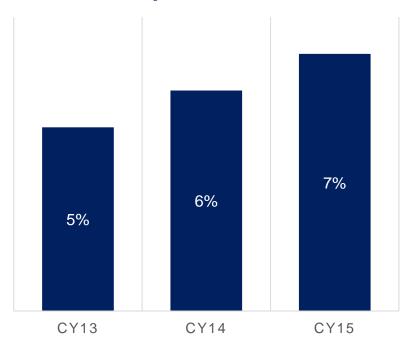
Emerging Technology Promotion:

- Number of Participants = 156
- Promotion Volume = 4,050 MM pieces
- Discount Earned = \$18 MM

Mail Drives Mobile Commerce Promotion:

- Number of Participants = 569
- Promotion Volume = 4,610 MM pieces
- Discount Earned = \$24 MM

Emerging Technology Adoption Rates*



^{*}Adoption Rate = % of Eligible mail volume that qualified for a discount based on the requirements of each of the Emerging Technology promotions

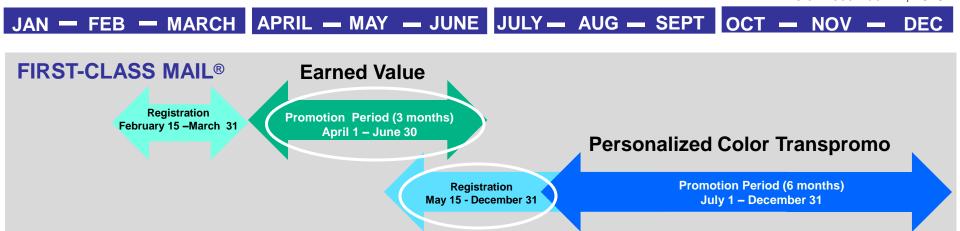


2016 Promotions - Update



2016 Promotion Calendar

As of December 11, 2015





Emerging and Advanced Technology/Video In Print

Registration

January 15 – August 31

Promotion Period (6 months)
March 1 – August 31



Tactile, Sensory & Interactive Mailpiece Engagement

Registration
January 15 – August 31

Promotion Period (6 months)

March 1 – August 31

Registration

May 15 - Dec 31

Mobile Shopping

Promotion Period (6 months)
July 1 – December 31



Emerging and Advanced Technology/Video In Print

Promotion period: March 1 - August 31

- Number of Enrolled Mailers = 146
- Promotion Volume = 298 MM pieces
- Discount Earned = \$1.4 MM

Tactile, Sensory & Interactive Mailpiece Engagement

Promotion period: March 1 - August 31

- Number of Enrolled Mailers = 101
- Promotion Volume = 52 MM pieces
- Discount Earned = \$229 K



What's Next for Informed Delivery*?

NY Metro Expansion

We already tackled the nation's Capital, now we're taking it to the **Big Apple!**

NY Metro Zip Codes Include: 066, 069, 100 - 119

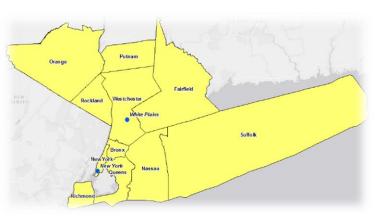
Rollout Schedule

Live as of November 18th

Over 67k Active Users

Commercial Interest

3 direct mailers participating starting March 29









Shipping Products and Services MTAC / NPF Update

March 20, 2016

Gary C. Reblin
VP New Products and Innovation

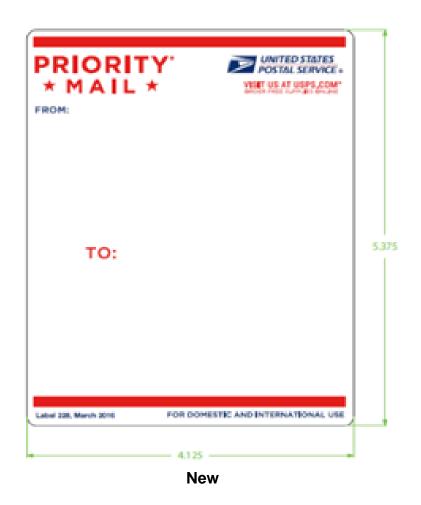


- Expedited Packaging Supplies
 - Priority Mail, Label 228
 - Boxes and Envelopes
- Caution Heavy 35 lbs. and Over
- Online Refunds and Claim Bulk File Upload
- Proposals:
 - Return Label with Quick Response Code (QR Code)
 - 2. Redesign PS Form 3849, Sorry We Missed You!
 - 3. Automate PS Form 3801, Standing Delivery Order









- Eliminate Loop Mail caused by previous label design
- Order: USPS.com



Expedited Packaging Supplies



 Changed orientation of Tic Marks to Vertical on all expedited Boxes and Envelopes



Caution Heavy 35 lbs. and Over Label



Dimensions: 3x2Order: Postal Store



Introducing "Caution Heavy 35 lbs. and Over" Label

Safety Awareness

- FY 2015 USPS Employee reported Lifting Injuries:
 - 2,953 total reported
 - 52% Carriers
 - 16% Clerks
- Visual alert to use caution when lifting

New Retail Requirement: Affix Caution Label to all packages with weights 35 or Greater.





Online Refund Applications:

- Refund request on usps.com
 - 1. Priority Mail Express
 - 2. Extra Services



- Claims Bulk File Upload on Business Customer Gateway
 - Damaged, Missing or Lost Articles



USPS Return QR Code





- Proposal for QR Code on Return Shipping Label
- Send Comments or Suggestions to: shippingservices@usps.gov



PS Form 3849 – Redelivery Notice

UNITED STATES POSTAL SERVIC	Redelivery Notice Sorry we missed you	UNITED STATES POSTAL SERVICE	Redelivery Notice	Information About It	ems Not Delivered
www.usps.com/redelivery	Date:	www.usps.com/redelivery	Date:	Tracking Number(s):	
Recipient:	Date.	Recipient:			
Items Not Delivered		Items Not Delivered			
This is the: ☐ First Attempt ☐ Final Notice We will hold item(s) until:	:	This is the: First Attempt Final Now We will hold item(s) until:	otice		
See reasons not delivered below:	stage due COD Customs		☐ Postage due ☐ COD ☐ Customs	Go to local Post Office™	(Bring this form and photo ID)
Requires signature: Certified Mail Priority Mall Expres Insured Mail Registered Mail Restricted Delivery Other reasons:	☐ Adult Signature*	Requires signature: Certified Mail** Priority Mail E Insured Mail Registered M Firm Bill Restricted Do Other reasons:	fail™ □ Adult Signature*		
☐ Perishable item ☐ Receptacle full/iter ☐ Receptacle blocked ☐ No secure location ☐ No authorized rec	n available delivery recepticle/ ipent available location	☐ Receptacle blocked ☐ No secure lo ☐ No authorize	d recipent available location	Notice Left	
"The person who signs for the package must prove at t "The recipient must be the one to sign for the package		**The recipient must be the one to sign for the pa	ve at the time of delivery that they are 21 or older. ackage.	Recipient Address:	
Options for Redelivery or Pick-Up 1. Go to website: www.usps.com/redeliver 2. Call 800-ASK-USPS (800-275-8777)		Options for Redelivery or Pick-Up 1. Go to website: www.usps.com/redeliv 2. Call 800-ASK-USPS (800-275-8777)	ery ON IN	Delivered by:	Date:
3. Complete information below and leave notice		Complete information below and leave r Leave item on this date	notice in mailbox for carrier***: at the location below:	Recipient Signatur	e Boy
Leave item on this date at t	the location below: th □ Mailbox □ Garage		at the location below. Porch ☐ Mailbox ☐ Garage		e B0X
☐ Neighbor (Must be adjacent or across the stre	eet) Other:	☐ Neighbor (Must be adjacent or across the	ne street) Other:	Signature	
Address: ***Not available if restricted delivery or Adult Signature		Address: ***Not available if restricted delivery or Adult Signa	tture	Χ	
4. Number of items: Letter	Large Envelope	4. Number of items: Letter	Large Envelope		
Package Other:		Package Other:		Printed Name	
5. Go to your local Post Office or send your repr My signature authorizes the listed representat		Go to your local Post Office or send you My signature authorizes the listed repres		Delivery Address	
Recipient's Signature:		Recipient's Signature:			
Name of Representative:		Name of Representative:		USPS Redelivery ID	
PS Form 3849 , January 2016		PS Form 3849 , January 2016		PS Form 3849 , January 2	0000 0000 0000 0000 0000
PAGE 1 —	Option A	PAGE 1 —	Option B	(PAGE 2
				·	

■ Send Comments or Suggestions to: shippingservices@usps.gov



Standing Delivery Order, PS Form 3801

By (Signature and title of person signing order)	Telephone No.
The above-named firm or individual hereby authorizes representative whose sig Jertified, Insured, C.O.D, Express Mail [®] , Signature Confirmation ™, unrestricted sare of the above-named firm or individual until otherwise notified in writing, and after proper delivery. All previous orders are hereby revoked. SPECIAL INSTRUCTIONS: Where Restricted Delivery and/or Adult Signature F uuthorization is extended to include Restricted Delivery and/or Adult Signature F he person signing it. This notation is to be made on the part of the form for sign dentified	d Registered Mail™, and special delivery Mail addressed to or in diassumes all responsibility for loss, rifling, or damage of said m Restricted Delivery mail are included, the statement "This Restricted Delivery mail" must be entered on the delivery order
Signature of Clerk Verifying Customer's Signature	Date
SIGNATURES OF AUTH	HORIZED AGENTS
PS Form 3801 , June 2011 STANDING DELIV	



 Ability to add and remove names of Authorized Agents electronically

Include the form in the FAST appointments



Be sure to attend:

IRRISITIBLE Mail: Where Paper and Pixels Conversion

Monday 1:30 Governor's Ballroom A





Evaluate and implement product/pricing simplification ideas which promote ease of use and volume and revenue growth for industry

- ➤ January 2017
 - Subtle changes that eliminate redundancy
 - Structural changes
 - Mailing standard changes & clarifications
 - Align with current mail prep and processing operations



>Ideas under evaluation

- Merge AADC and 3Digit presort auto letters into one category
- Move to piece/pound structure in Standard Mail
- Create 3rd ounce free for First-Class Mail
- Eliminate piece/pound pricing for 3.3 3.5 oz weight breaks in Standard Mail auto letters

Process:

- Evaluate Potential Initiative against Objectives
 - Socialize with Industry (MTAC/Conference Calls)
 - Determine which ideas to pursue
- Determine Timing
 - In for January 2017
 - Implement at a Future Date
- Share Structural Changes



Action Items



Action Items - Update

First-Class Mail:

Create a # IRRESISTIBLE Mail hashtag as an alternative channel for the NPF judges and general public to view IRRESISTIBLE Mailpieces.

RESPONSE: Multiple communication vehicles around IRRESISTIBLE Mail have been created.

Send the 2017 pricing idea proposals to all participants of the MTAC Product Innovation Focus Group within the next 2 – 3 weeks for feedback.

RESPONSE: Completed.



Action Items - Update

Standard Class:

- Industry wants USPS to share details of future promotions in workgroup 8 as rules developing
 and well in advance of PRC filing. Industry will provide feedback to USPS on promotions as
 they are still being developed rather than afterwards. Gary agreed this can be done. Adopted as a business practice for future promotions.
- Industry and USPS work together to create relaxed rules WORKING Additional conversations and contact with project teams to further understand status
- Create a 'fake' stamp for use on mail pieces being passed on to friends and family instead of indicia. This was brought up in Wanda's Standard Class telecom. Requires further clarification to verify if there are other alternatives.
- USPS to review industry request to increase First Class post card to 6 x 9. This could lead to a
 migration from Standard Class to a First Class postcard rate. This was brought up in
 Wanda's Standard Class telecom. Very early informal discussions have been voiced to
 review feasibility.
- USPS to consider allow catalog over 3.3 ounces in envelopes to mail out of OE and not be in violation of the heavy mail rule. This was brought up in Wanda's Standard Class telecom. Needs further review to develop course of action
- Consider zone pricing for standard mail. Needs further review to develop course of action